

EXHIBIT "E-1"
TO
AMENDED AND RESTATED SERVICES AGREEMENT IN LIEU OF ANNEXATION

FIRST AMENDMENT TO THE WAGE STANDARDS AGREEMENT

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WAGE STANDARDS AGREEMENT**

This **FIRST AMENDMENT TO THE WAGE STANDARDS AGREEMENT** (this "*Amendment*") is made and entered into as of the date on which the following parties have signed this Amendment:

CITY: **CITY OF SAN ANTONIO, TEXAS**, a municipal corporation; and

DEVELOPER: **LUMBERMEN'S INVESTMENT CORPORATION**, a Delaware corporation.

RECITALS

A. Developer owns (or controls ownership of) an aggregate of approximately 2,855.7473 acres of real property in Bexar County, Texas.

B. City, the five representatives appointed by the Bexar County Commissioners Court under *Section 43.0562(b)* and Developer have entered into that certain Amended and Restated Agreement For Services In Lieu of Annexation (the "*Services Agreement*"), pursuant to which City has agreed to the continuation of the extraterritorial status of the Land, subject to the terms of the Services Agreement.

C. As a condition to City's agreements under the Services Agreement, Developer agreed contractually to impose certain wage standards for each Hotel and golf course to be operated upon the Annexation Tracts by entering into that certain Wage Standards Agreement, effective November 1, 2002, by and between the City and Developer (the "*Wage Standards Agreement*").

D. The parties to the Wage Standards Agreement now desire to amend the Wage Standards Agreement, due to certain changes in circumstances since the Effective Date of the Wage Standards Agreement.

E. Terms used, but not otherwise defined in this Amendment shall have the meaning set forth in the Wage Standards Agreement.

NOW, THEREFORE, Developer and City agree as follows:

**ARTICLE I
AMENDMENTS TO THE WAGE STANDARDS AGREEMENT**

1.1 Recitals. Recital D of the Wage Standards Agreement is hereby amended and restated in its entirety as follows:

"D. Pursuant to the Services Agreement, Developer has agreed to construct a Hotel (herein defined) and two golf courses on the Annexation Tracts and contemplates an additional Hotel and golf course."

1.2 Definitions and Interpretations.

a. *Deletions.* The following definitions are hereby deleted in their entirety from the Definitions section of the Wage Standards Agreement:

1. "**PGA**" means The Professional Golfers' Association of America, and its successors and assigns."

2. "**PGA Employees**" means the Full-Time Employees of (i) PGA and (ii) any other owner or operator of a golf course or a Golf Course Related Improvement located on an Annexation Tract, in any of the employment positions described in "*Exhibit B*" to this Agreement, except interns, apprentices, management trainees and volunteers.

b. *Additions.* The following definitions are hereby added to the Definitions section of the Wage Standards Agreement:

"PGA Tour" means PGA Tour Golf Course Properties, Inc., or an entity controlled by PGA Tour Golf Course Properties, Inc., and its successors and assigns.

"PGA Tour Employees" means the Full-Time Employees of (i) PGA Tour and (ii) any other owner or operator of a golf course or a Golf Course Related Improvement located on an Annexation Tract, in any of the employment positions described in **"Exhibit B"** to this Agreement, except interns, apprentices, management trainees and volunteers.

c. *Amendments.* The following definitions from the Definitions section of the Wage Standard Agreement are hereby amended and restated in their entirety as follows:

"Employees" means Hotel Employees and PGA Tour Employees.

"Wage Standard Employer" means PGA Tour, each Hotel owner and each Hotel Manager.

"Wage Standard" means, if the Hotel Completion Date occurs

- (a) prior to October 1, 2003, the sum of \$8.75 per hour,
- (b) on or after October 1, 2003 but before October 1, 2004, the sum of \$9.00 per hour,
- (c) on or after October 1, 2004 but before October 1, 2005, the sum of \$9.25 per hour,
- (d) on or after October 1, 2005 but before October 1, 2006, the sum of \$9.50 per hour,
- (e) on or after October 1, 2006 but before October 1, 2007, the sum of \$9.75 per hour,
- (f) on or after October 1, 2007 but before October 1, 2008, the sum of \$10.00 per hour,
- (g) on or after October 1, 2008 but before October 1, 2009, the sum of \$10.25 per hour,
- (h) after October 1, 2009, the sum of \$10.50 per hour.

ARTICLE II MISCELLANEOUS

2.1 Ratification. Except as expressly amended hereby, all terms and provisions of the Wage Standards Agreement remain unamended, unmodified and in full force and effect. The Wage Standards Agreement, as amended hereby, and all rights and powers created thereby, is in all respects ratified and confirmed. From and after the date hereof, all references to the Wage Standards Agreement shall be deemed to mean the Wage Standards Agreement as amended by this Amendment.

2.2 Counterparts. This Amendment may be executed in counterparts, each of which, when executed and delivered, shall for all purposes be deemed an original. All of the counterparts, when taken together, shall constitute but one and the same Amendment.


[Signature Pages to Follow]

Signed by each party as of the date of the acknowledgment of such party.

DEVELOPER:

LUMBERMEN'S INVESTMENT CORPORATION,
a Delaware corporation

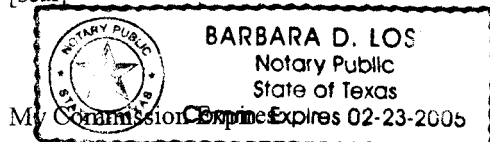
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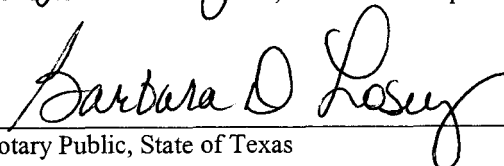

John Pierret
Executive Vice President

THE STATE OF TEXAS §
 §
COUNTY OF Dallas §
 §
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This instrument was acknowledged before me on January 14, 2005 by John Pierret,
Executive Vice President of LUMBERMEN'S INVESTMENT CORPORATION, a Delaware corporation, on
behalf of said corporation.

[seal]




Notary Public, State of Texas

Printed/Typed Name

CITY:

CITY OF SAN ANTONIO, TEXAS

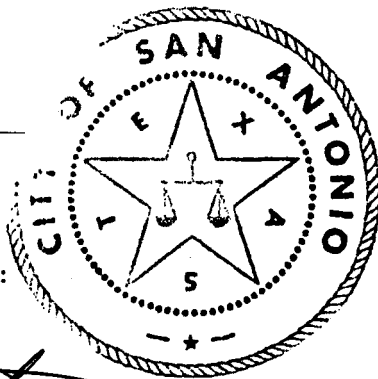
J. Rolando Bono

J. Rolando Bono
Interim City Manager

290

ATTEST:

Letricia Y. Wood
City Clerk



APPROVED AS TO FORM:

Andrew F. Martin
Andrew F. Martin, City Attorney

THE STATE OF TEXAS

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§
§

COUNTY OF BEXAR

This instrument was acknowledged before me on JANUARY 28, 2005, by J. ROLANDO BONO, as CITY MANAGER of the CITY OF SAN ANTONIO, TEXAS, a municipal corporation, on behalf of said corporation.

[seal]

Mary Lou Rodriguez
Notary Public, State of Texas

My Commission Expires:

MARY LOU RODRIGUEZ
Printed/Typed Name

EXHIBIT B

1. Service Specialist - golf shop clerk
2. Fleet Manager - general (non-mechanical) maintenance of golf carts
3. Merchandise Assistant - golf shop staff
4. Tee Captain - greeter/host at bag drop-off
5. Hospitality Team - bag boys (valet and storage), cart scheduling, moving and storage
6. Tee Masters - starters
7. Play Co-ordinators - rangers/marshals
8. Range Tech Personnel - golf ball retrieval
9. Set Up Personnel - move tee markers, cut new holes, rope off areas for tournament play
10. Greens Keeper - cuts grass, trims, rakes sand traps
11. Maintenance - general labor
12. Deli Associate - food/beverage sales clerk